

Farmland Review 2023



Central England

We know your area, because it's our area too.

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A snapshot of 2023

A national and local overview

National Overview

As we near the end of 2023, it is now clear that the total annual farmland supply will be at its highest since Brexit and the start of the agricultural transition but still below levels seen between 2015-2018. A review of farmland supply trends over the last few decades by our rural research team shows that short-term volatility repeats itself but never in a sustained manner. This is owed to the fact that land ownership is a long-term investment, rolling with financial fluctuations and occasional large portfolio sales spiking farmland supply in specific years.

The long-term trend has been a decrease in farmland supply as more landownership has transitioned from landlords to owner-occupiers. In the 1980s over 400,000 acres marketed a year was not uncommon, whereas it has been 15 years since the market exceeded 200,000 acres. As we move through the agricultural transition and the direct payments received from the basic payment scheme reduce, we are seeing competing demands on land use opening up and becoming a practical reality. From nature-based solutions, through to energy and renewables and development competing demands have the potential to remove land from food production for a period of time.

So what does this mean for values? Overall, we forecast average GB farmland values are likely to be sustained for the next five years with modest increases. This will be reflective and responsive to specific criteria such as location, land type and depth of interest, which all have an impact and influence on land values. However, as we have witnessed recently unforeseen global and economic shocks have the potential to impact all markets.

Local Overview

The strong demand for farms across central England continues, in particular for commercial farms which have been in short supply, and has driven an increase in land values.

Reduced subsidy payments and continued volatility for input costs and commodity values, mean it tended to be the equipped farms or, at least, those offering potential to create non-agricultural income streams, that were of greatest demand within the commercial farm sector of the market.

Residential farms and estates remain highly sought after by lifestyle buyers in locations with good communication links and schools. The Cotswolds and the M40 corridor remain the hotspot in this respect, with premiums achieved for the best in class. Nature and environmental focused buyers are active in this region but often struggle to compete in the market for all but the lower-grade agricultural land.

Supply overall has returned to pre-Covid levels, although the increased cost of borrowing and challenges in farm profitability appear to be driving more farming businesses to consider sales, often bare land, to help reduce debt and reinvest in diversification or other projects. We expect that this will result in more land coming to the market in 2024.

Over the last 12 months, average land values increased by 15-25% in some parts of the region, with instances of sale prices of £15,000 - £18,000 per acre achieved. We expect positive market conditions to continue for the next six months but economic and potential political uncertainty could have an impact on values and supply.

The key to achieving the best sale price continues to involve setting realistic guide prices and promoting properties to the widest audience at a local, regional and national level.



**Year-on-year increase in supply
(end Nov 2022 to end Nov 2023)**



**Savills has 24% market
share across the region**



**The average value per acre across
GB prime arable farmland**



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*Savills Rural Research

A selection of property across Central England



SOLD

Great Missenden, Buckinghamshire
About 247 acres | Guide £7.75 million



SOLD

Pershore, Worcestershire
About 456 acres | Guide £6.5 million



UNDER OFFER

Great Missenden, Buckinghamshire
About 1,115 acres | Guide £11 million



SOLD

Cheltenham, Gloucestershire
About 37 acres | Guide £750,000



UNDER OFFER

Chesham, Buckinghamshire
About 284 acres | Guide £4.75 million



SOLD

Pershore, Worcestershire
About 289 acres | Guide £2.85 million



UNDER OFFER

Warwick, Warwickshire
About 522 acres | Guide £7.65 million



SOLD

Brockhall, Northamptonshire
About 137 acres | Guide £3.15 million



SOLD

Bicester, Oxfordshire
About 115 acres | Guide £1.1 million



SOLD

Chipping Norton, Oxfordshire
About 461 acres | Guide £12.5 million



SOLD

Marden, Herefordshire
About 66 acres | Guide £2.2 million



SOLD

Daventry, Northamptonshire
About 18 acres | Guide £1.55 million

Key Contacts

If you're thinking of buying or selling, contact a member of our team today.



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Connect with us



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